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## How BetOnline Got Started – Full History

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BetOnline is a gambling site dating back to a bookmaking business started in Rochester, New York in 1991. When it was moved to Costa Rica in December of 2000, the first office wasn't much larger than a closet. Despite its humbling begins, they went on to find the right partners and investments, assemble an all-star cast, and grow into one the largest gambling sites in the world. This is an account of their history.

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### Rochester New York Days to BestLineSports

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Originally, the company started with a man best known as Joe Junior who was booking bets from Rochester, New York in 1991. While this was illegal, it was only so due to corporate interests. America started with wagering on casino games, horse racing, cockfighting, and bare-knuckle fights. It wasn't until professional sports began that an anti-gambling lobby got underway. Federal laws against bookmaking were introduced in the 60's, 70's, and 90's; these laws made the profession of Joe Junior a crime.

Don't get me wrong, Joe Junior was no stranger to crime. His father was Joseph Fafone, a Gambino crime family associate known by the nickname "Boca Joe." The man was first arrested in 1971 for selling \$200,000 worth of counterfeit \$20 bills. A decade ago, he hooked-up with a former mafia henchman who had recently been released from prison; on their own, they got involved in several cocaine deals which landed him there again. As for Joe Junior, the only crime I've ever heard him involved with was bookmaking and cleaning the money. In other words, he was just an honest businessman who ran books.

Getting back on track, the Rochester, New York bookmaking operation was rather small with only a handful of agents and money collectors. Despite this, Joe Junior had his door busted down by police a few times, and was charged twice. Tired of US law enforcement, he eventually moved to Costa Rica where he rented a tiny office. From here, his first online sportsbook was started in February, 2001 using the URL bestlinesports.com.

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### There Were Other BetOnlines

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The current BetOnline.com claims their history dates back to 1991. Even though Joe Junior is no longer with the company, what we've uncovered so far is their alleged start. From February, 2001 through March, 2007 the current site was known as BestLineSports.com, the dates they affirm. Before they became BetOnline, there were two other companies using the same name.

The first was launched July, 8, 1998 as a partnership between the UK's Mirror Group and Press Association. Initially it was located on the sub-domain, betonline.sporting-life.com, before using the URL betonline.co.uk in September of 1998. (This original BetOnline appears to date back to the UK betting site now known as BlueSquare and has nothing to do with company under discussion.) The other BetOnline actually used the domain name betonline.com. This same group now owns 7redsports.com and ezstreetsports.com. We will come back later to explain how BestLineSports.com ended up becoming betonline.com. For now, take note that neither of these other BetOnlines forms any part of the BetOnline.com of today, nor have they ever been.

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### Joe Junior Takes on Partners

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While BetOnline started as Joe Junior's bookmaking business, it grew into a huge operation with multiple partners. Initially there was another US bookie who signed on in Costa Rica using the pseudonym John Magnum. Over the years, this man has had more names than we can count and even later served as the CEO of BetOnline under another name.

John Magnum, as we'll call him, has never been indicted by US authorities, hence let's stick to this name. Without saying too much, in 1996 while at the age of 25, he started one the first offshore sportsbooks targeting the US. His claim to fame was personal touch. In the early days, no client could open a betting account at his company without speaking to him



The change to BetOnline.com came about, in part, as a result of BetOnSports.com going out of business on August 11, 2006. One of the largest sportsbooks servicing the US, it closed due to federal indictments by US authorities and bankruptcy. Yet another American, Dalton Wagner, was left without a home at BetOnSports' closing. He soon joined the company, presumably as a partner/investor (although this hasn't been confirmed).

What Dalton Wagner brought to the table were connections to the BetOnSports staff, marketing department, and a massive list of clients and agents. He, himself, had met the founders of BetMaker, Scott Barrett and Mike Hale, in a poker game in 1998. They had come to Costa Rica with just six credit cards and had sold their sportsbook for \$20 million while wealthy and debt-free. Impressed with their story, Wagner moved to Costa Rica and started MVP Sportsbook.

There was no other association than the same software provider, MVP, and it functioned and looked very similar to today's 5dimes.com minus the [reduced juice](#). He would end up selling this and his other sportsbooks to BetOnSports.com while signing on to manage them independently. When the company closed, he brought his client lists and agent pay-per-head business to the BetOnline team, and a slew of non-ownership BetOnSports staff followed.

### **Joe Junior Leaves the Company**

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Skipping ahead in the story of BetOnline's history, Joe Junior is no longer with the site. He was arrested at the Rochester International Airport in October of 2009, the result of an indictment that saw some 30 bookmakers, agents, and runners of the pay-per-head side named.

There was a 38-month-long investigation the authorities called "Operation Betting It All," described as \$20 million dollar per month bookmaking operation linked to both the Gambino and Genovese crime families. The silly thing is that authorities investigated for 38-months and rarely got it right.

BetOnline had a pay-per-head side; and anyone, no matter who they were, could access the software for a fee. No doubt they got a bookie when nabbing Joe Junior, but the mafia ties were quite weak. Anytime a PPH provider is busted, there's no doubt some crime family is a client. The media loves a good Martin Scorsese film.

Opinion aside, it's important to note that at the time BestLineSports.com became BetOnline, Joe Junior was one of many partners. While he got the company started, much of the remaining history barely includes his role. Furthermore, after the Operation Betting It All arrests in 2009, all indicted partners, including Joe Junior, were bought out. They aren't involved with the current BetOnline in any way shape or form. Let's rewind the story to late 2006.

### **UIGEA and BetOnline Domain Purchase**

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As mentioned in the intro, the company started offshore working from a closet and grew into one the largest gambling sites in the business. Forming an all-star cast (alluded to above) was instrumental. They also became aggressive when others in the industry were erring on the side of caution.

The first aggressive move BestLineSports.com made was amidst the stormy waters following the United States passing the Unlawful Internet Gambling Enforcement Act (UIGEA). This law which, signed by President George W. Bush on October 13, 2006, made it a serious crime to have any involvement with the money flow to and from illegal gambling sites. UIGEA literally resulted in the closure of hundreds of gambling sites to the US market out of fear. Seeing an opportunity, the BestLineSports group purchased the highly-desirable domain name BetOnline.com. The company that had been previously using it was struggling financially as result of UIGEA and had just cleansed it by moving their players to a new domain.

In April of 2007, BestLineSports.com closed, and all accounts were moved to BetOnline.com. Their all-star cast of partners comprised of affiliate gurus, marketing gurus, pay-per-head experts, and agents with payment connections put pedal to the medal. Almost immediately after becoming BetOnline, they began advertising on every relevant gambling

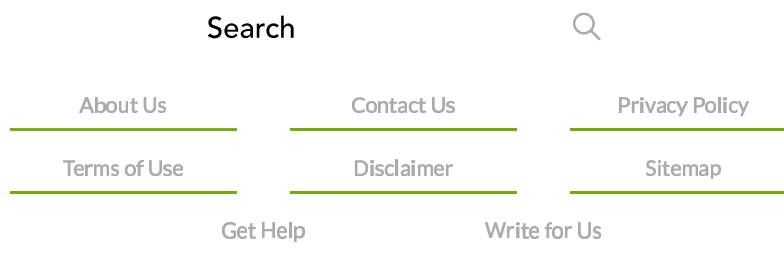


BetOnline took a risk that most sportsbooks didn't have the expertise or tolerance to handle. They began offering clients who desired it 105 reduced juice, while also setting some of the highest betting limits in the industry. From here, they focused on adding a ton of new markets such as [football propositions](#) and alternate lines. They even attempted to open the betting lines before Bookmaker/BetCRIS. As you can learn in our article on [Bookmaker.eu history](#), this was a sick move. This company for years had used the slogan "where the line originates," and it was far more than marketing hype.

In the long run, BetOnline aggressively did everything right, taking huge risks, and even continuing after the April/May 2011 domain seizures of [US gambling sites](#). In what has been called Black Friday, on April 15, 2011, domains of the largest poker sites: PokerStars, Full Tilt Poker, Ultimate Bet, and Absolute Poker were seized as were several of their bank accounts and owners, key staff, and payment processors. The companies were indicted by US authorities, and of the four poker sites, only PokerStars.com settled while the other three closed. In May of 2011, ten sportsbooks had their domains seized.

Out of fear, many more gambling sites to the US market closed. Several of those who tried to stick it out went bankrupt. What did BetOnline do? The same thing they did after UIGEA. They rushed out and hired a high-profile CEO, the woman to whom Brett Favre allegedly texted penis shots to named Jenn Sterger, to act as their spokesperson. They also hired the existing head of the sportsbook.com affiliate team and another long-time affiliate manager Simon Eaton, who had worked with VIP Profits back in the day. Of course, they added poker to their website and ramped up their affiliate program. The later included sexy "we love US players" banners and increased commission rates for established affiliates.

In short, BetOnline went from a tiny bookmaking business in Rochester, New York to a closet-like office in Costa Rica to the massive company in existence today. They assembled a great cast of partners and made all the right moves, going all in while others went scared. Has this proven to be a success? There's no company today with better exposure on affiliate portals or Google search results than BetOnline. In May of 2012, they purchased one of the oldest sportsbooks in the business: Sportsbetting.com. This came a month after they purchased Bet Eagle, the leader in pay-per-head operations. No doubt [BetOnline](#) is one the largest companies in the business, having a great track record with players. To test them out, visit their new website located at [www.betonline.ag](http://www.betonline.ag).



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